



ACQUISITION AND
TECHNOLOGY

DP (DAR)

OFFICE OF THE UNDER SECRETARY OF DEFENSE

3000 DEFENSE PENTAGON
WASHINGTON DC 20301-3000



July 25, 1997

In reply refer to
DAR Case: 97-00006

MEMORANDUM FOR DIRECTORS OF DEFENSE AGENCIES
DEPUTY FOR ACQUISITION AND BUSINESS MANAGEMENT,
ASN(RD&A)/ABM
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE
(CONTRACTING), SAF/AQC
ASSISTANT DEPUTY ASSISTANT SECRETARY OF THE ARMY
(PROCUREMENT)/DIRECTOR FOR CONTRACTING
DEPUTY DIRECTOR (ACQUISITION), DEFENSE LOGISTICS AGENCY

SUBJECT: Class Deviation--Evidence of Shipment in Electronic Data
Interchange (EDI) Transactions

Effective immediately, all military departments and defense agencies shall use the attached clause "F-o-b. Destination--Evidence of Shipment" in lieu of the clause at 52.247-48 of the Federal Acquisition Regulation (FAR). This class deviation eliminates current barriers to full implementation of EDI transactions and streamlines the payment process when supplies are purchased f-o-b. destination, but inspection and acceptance will be at origin.

This class deviation is approved for a 2-year period, ending July 31, 1999, or until the FAR is revised, whichever event occurs first.

Eleanor R. Spector
Director, Defense Procurement

Attachment

cc: DSMC, Ft. Belvoir

Class Deviation

DAR Tracking Number: 97-00006

Affected FAR Citations

PART 52--SOLICITATION PROVISIONS AND CONTRACT CLAUSES

* * * * *

52.247-48 F.o.b. Destination--Evidence of Shipment.

As prescribed in 47.305-4(c), insert the following clause:

F.O.B. DESTINATION--EVIDENCE OF SHIPMENT (JUL 1995) (DEVIATION)

(a) If this contract is awarded on an f.o.b. destination basis and if transportation is accomplished by--

(1) Common carrier, the Contractor agrees to furnish in support of the Contractor's invoice, ~~a copy of the signed commercial bill of lading indicating the carrier's receipt of~~ [written confirmation that] the supplies covered by the invoice [were consigned to a common carrier for shipment] ~~for transportation to the destination specified in the contract;~~

(2) Parcel post, the Contractor agrees to furnish ~~certificate~~ [written confirmation] of mailing with the Contractor's invoice; and

(3) Other than common carrier or parcel post, the Contractor agrees to [furnish, in support of its invoice, written confirmation that the supplies were received] ~~attach to the Contractor's invoice a receipted copy of the appropriate delivery document showing receipt at the destination specified in the contract.~~

[(b) The Contractor further agrees to retain for a period of 4 years after completion of this contract a copy of the signed commercial bill of lading indicating, for the supplies covered by the invoice, the carrier's receipt of the supplies, the evidence of shipment by parcel post, or a copy of the appropriate delivery document showing receipt at the destination specified in the contract.]

~~(b)~~ [(c)] Electronic transmission of the ~~information~~ [confirmations] required by paragraph (a) of this clause is acceptable [when authorized by the designated paying office specified in this contract].

(End of Clause)

DFARS Case 95-D708
Truth in Negotiations and Related Changes
Final Rule

* * * * *

PART 204—ADMINISTRATIVE MATTERS

* * * * *

204.805 Disposal of contract files.

* * * * *

- (5) Retain pricing review files, containing documents related to reviews of the contractor's price proposals, subject to ~~certification of cost or pricing data~~ (see FAR 15.804-2), for six years. If it is impossible to determine the final payment date in order to measure the six year period, retain the files for nine years.

* * * * *

PART 215—CONTRACTING BY NEGOTIATION

* * * * *

~~215.801 Definitions.~~

~~"Cost realism analysis" means a review of the overall costs in an offeror's proposal to determine if they~~

~~—(1) Are realistic for the work to be performed;~~

~~—(2) Reflect a clear understanding of the requirements; and~~

~~—(3) Are consistent with the various elements of the offeror's technical proposal.~~

215.804 Cost or pricing data [and information other than cost or pricing data].

215.804-1 ~~General~~[Prohibition on obtaining cost or pricing data].

~~(a) When certified cost or pricing data are not required, the contracting officer may ask for partial or limited data when the data are necessary for the Government's analysis. The contracting officer shall not ask the contractor to certify these data.~~

[(b) Standards for exceptions from cost or pricing data requirements. (1) Adequate price competition. (A) An example of a price "based on" adequate price competition is exercise of a priced option in a contract where adequate price competition existed, if the contracting officer has determined that the option price is reasonable in accordance with FAR 17.207(d);

(B) Dual or multiple source programs.

- (1) In dual or multiple source programs, the determination of adequate price competition must be made on a case-by-case basis. Contracting officers must exercise deliberation and thorough review in making the determination. Even when adequate price competition exists, in certain cases it may be appropriate to obtain additional information to assist in price analysis.
- (2) Adequate price competition normally exists when—
 - (i) Prices are solicited across a full range of step quantities, normally including a 0-100 percent split, from at least two offerors that are individually capable of producing the full quantity; and
 - (ii) The reasonableness of all prices awarded is clearly established on the basis of price analysis (see FAR 15.805-2).

(4) *Exceptional cases.*

- (A) The DoD has exempted the Canadian Commercial Corporation and its subcontractors from submission and certification of cost or pricing data on all acquisitions.
- (B) The DoD has waived certain cost or pricing data requirements for nonprofit organizations (including educational institutions) on cost-reimbursement-no-fee contracts. The contracting officer shall require—
 - (1) Submission of information other than cost or pricing data to the extent necessary to determine price reasonableness and cost realism; and
 - (2) Cost or pricing data from subcontractors that are not nonprofit organizations.]

~~215.804-3 Exemptions from or waiver of submission of certified cost or pricing data.~~

- ~~(a)(1) The contracting officer rarely should need to require the submission or certification of cost or pricing data on acquisitions where adequate price competition is expected (regardless of the type of contract anticipated).~~
- ~~(b) Adequate price competition.~~
 - ~~(1) Adequate price competition may exist for any contract, including cost-reimbursement contracts, as long as price is a substantial factor in the evaluation. If, after receipt of proposals, the contracting officer determines that adequate price competition does not exist, the contracting officer shall obtain, as appropriate (see FAR 15.804-2), certified cost or price data.~~
 - ~~(3)(A) Examples of a price "based on" adequate price competition are:~~
 - ~~(1) Exercise of an option in a contract where adequate price competition existed, if the contracting officer has determined that the option price is reasonable under FAR 17.207(d);~~

~~(2) Acquisition of an item that has multiple suppliers, where the contracting officer only solicits or receives one offer, but the price is clearly reasonable in comparison with recent purchases where adequate price competition existed.~~

~~(B) Dual or multiple source programs.~~

~~(1) In dual or multiple source programs, the determination of adequate price competition must be made on a case-by-case basis. Contracting officers must exercise deliberation and thorough review in making the determination. Even when adequate price competition exists, in certain cases it may be appropriate to obtain some data to assist in price analysis.~~

~~(2) Adequate price competition normally exists when—~~

~~(i) Prices are solicited across a full range of step quantities, normally including a 0-100 percent split, from at least two offerors who are individually capable of producing the full quantity; and~~

~~(ii) The price reasonableness of all prices awarded is clearly established on the basis of price analysis (see FAR 15.805-2).~~

~~(3) If price reasonableness cannot be determined on the basis of price analysis, including the results of negotiations, the exemption at FAR 15.804-3(a)(1) from submission of certified cost or pricing data shall not apply.~~

~~(i) Waiver for exceptional cases.~~

~~(i) The DoD has exempted the Canadian Commercial Corporation and its subcontractors from submission and certification of cost or pricing data on all acquisitions.~~

~~(ii) The DoD has waived certain cost or pricing data certification requirements for nonprofit organizations (including educational institutions) on cost reimbursement no fee contracts. The contracting officer—~~

~~(A) Shall require cost or pricing data, including cost or pricing data from subcontractors;~~

~~(B) Shall not require certification of data submitted by the organization on its own behalf or on behalf of subcontractors which are also nonprofit organizations;~~

~~(C) Shall require certification of cost or pricing data from subcontractors which are not nonprofit organizations or educational institutions.~~

~~(iii) Use the following format when preparing an authorization for waiver in accordance with FAR 15.804-3(i):~~

~~(Military Department or Defense Agency) .~~

~~Authority to Waive Submission of
Certified Cost or Pricing Data~~

- ~~1. The (contracting activity) proposes to award a contract to (name of contractor) for acquisition of (brief description of supplies or services).~~
- ~~2. Under FAR 15.804-2, the prospective contractor is required to submit certified cost or pricing data. However, for the following reasons, I am waiving the requirement for certification of the data (The waiver may be partial, e.g., limited to particular cost or pricing data. If so, describe the cost or pricing data for which the certification is to be waived): Explain the circumstances and conditions which make the prospective contract action an exceptional case. State the reasons why the waiver is justified.)~~
- ~~3. I make this waiver under the authority of 10 U.S.C. 2306a(b)(2), as implemented by FAR 15.804-3(i).~~

~~Date _____~~
~~Signed _____~~

215.804-6 Procedural requirements.

- (b)(2)(1)(A) When the solicitation requires contractor compliance with the Contractor Cost Data Reporting (CCDR) System (Army - AMCP 715-8, Navy - NAV PUB P-5241, and Air Force - AFMCP 800-15), require the contractor to submit DD Forms 1921 or 1921-1 with its SF 1411.
- (B) Contracting offices may develop contract pricing proposal supporting schedules for use by offerors in providing supporting data for the SF 1411. Schedules should only ask for data that are necessary and reasonable based on industry, company, or commodity practices.

* * * * *

215.805 Proposal analysis.

215.805-5 Field pricing support.

- (a)(1)(A) Contracting officers shall request field pricing reports for—
- (1) Fixed-price proposals exceeding \$500,000 [the cost or pricing data threshold at FAR 15.804-2(a)(1)];
 - (2) Cost-type proposals exceeding \$500,000 [the cost or pricing data threshold at FAR 15.804-2(a)(1)] from offerors with significant estimating system deficiencies (see 215.811-70(a)(3) and (c)(2)(i)); or

* * * * *

215.805-70 Cost realism analysis.

* * * * *

- (b) The contracting officer should determine what **[information other than cost or pricing]** data ~~are~~**[is]** necessary for the cost realism analysis during acquisition planning and development of the solicitation. Unless ~~these data are~~ **[such information is]** already available from Government sources, the contracting officer will need to ask the offerors for ~~them~~**[it]**.

- (1) Request only necessary data; and
- (2) Do not request submission ~~or certification~~ of cost or pricing data.

* * * * *

215.811 Estimating systems.

215.811-70 Disclosure, maintenance, and review requirements.

* * * * *

- (b) *Applicability.*

- (1) * * *
- (2) A large business contractor is subject to estimating system disclosure, maintenance, and review requirements if—
 - (i) In its preceding fiscal year the contractor received DoD prime contracts or subcontracts totalling \$50 million or more for which ~~certified~~ cost or pricing data were required; or
 - (ii) ~~If~~**[I]**n its preceding fiscal year the contractor received DoD prime contracts or subcontracts totalling \$10 million or more (but less than \$50 million) for which ~~certified~~ cost or pricing data were required and the contracting officer, with concurrence or at the request of the administrative contracting officer, determines it to be in the best interest of the Government (e.g., significant estimating problems are believed to exist or the contractor's sales are predominantly Government).

* * * * *

- (g) *Impact of estimating system deficiencies on specific proposals.*

* * * * *

- (3) The contracting officer who incorporates a reopener clause into the contract is responsible for negotiating price adjustments required by the clause. Any reopener clause necessitated by an estimating deficiency should—

* * * * *

- (ii) Indicate a specific time or subsequent event by which the contractor will submit a supplemental proposal, including cost or pricing data, identifying the cost impact adjustment necessitated by the deficient estimating system. ~~The clause should require that the contractor certify cost or pricing data submitted as part of the supplemental proposal;~~

* * * * *

(h) *Contract clause.*

Use the clause at 252.215-7002, Cost Estimating System Requirements, in all solicitations and contracts to be awarded on the basis of ~~certified~~ cost or pricing data.

* * * * *

215.872 ~~Work measurement systems~~[Reserved].

215.872-1 ~~Definition.~~

~~"Work measurement systems (WMS)," as used in this section, means systems used~~

- ~~(a) To analyze the touch labor content of a manufacturing operation;~~
- ~~(b) To establish labor standards for that operation;~~
- ~~(c) To measure and analyze variances from those standards;~~
- ~~(d) To continuously improve both the manufacturing operation and the labor standards used in that operation.~~

215.872-2 ~~Policy.~~

~~DoD policy is to use WMS, when appropriate, to provide data for use in planning, cost estimating, and monitoring contract performance.~~

215.872-3 ~~General.~~

- ~~(a) The contracting officer, in coordination with the program manager, shall include provisions in the contract to implement the program's work measurement system requirements.~~
- ~~(b) An example of an acceptable set of criteria for WMS is found in MIL-STD-1567A. Tailor either MIL-STD-1567A or the contractor's existing WMS, if acceptable to the Government, for the specific program or contract.~~

215.872-4 ~~Applicability.~~

~~The contracting officer~~

- ~~(a) Should include provisions for WMS in solicitations and resulting production contracts for major weapons systems or subsystems in excess of~~
 - ~~(1) \$100 million total cost; or~~
 - ~~(2) \$20 million annually.~~

- ~~—(b) Should tailor the provisions to be consistent with program requirements and compatible with existing contractor technical and management processes and procedures;~~
- ~~—(c) May include WMS requirements in full scale development contracts exceeding \$100 million, when appropriate (e.g., to assist in transitioning from full scale development to production);~~
- ~~—(d) Should not include WMS when—~~
 - ~~——(1) Acquiring commercial products (FAR 11.001);~~
 - ~~——(2) There will be low volume, nonrepetitive production runs;~~
 - ~~——(3) Submission and certification of cost or pricing data are not required; or~~
 - ~~——(4) There will be no cost benefit from the imposition of these systems.~~

* * * * *

PART 216—TYPES OF CONTRACTS

* * * * *

216.203-4 Contract clauses.

* * * * *

- (d) *Adjustments based on cost indexes of labor or material.*
Use the following guidelines—

* * * * *

- (xvi) When economic price adjustment clauses are included in contracts that do not require submission of cost or pricing data as provided for in FAR 15.804-3[1], the contracting officer must obtain adequate information to establish the baseline from which adjustments will be made. The contracting officer may require verification of the data submitted to the extent necessary to permit reliance upon the data as a reasonable baseline.

216.203-4-70 Additional clauses.

- (a) *Price adjustment for basic steel, aluminum, brass, bronze, or copper mill products.*
 - (1) The price adjustment clause at 252.216-7000, Economic Price Adjustment—Basic Steel, Aluminum, Brass, Bronze, or Copper Mill Products, may be used in fixed-price supply contracts for basic steel, aluminum, brass, bronze, or copper mill products, such as sheets, plates, and bars, when an established catalog or market price—
 - ~~—(i) E[ex]ists for the particular product being acquired; and~~
 - ~~—(ii) Has been verified in accordance with the criteria at FAR 15.804-3(c).~~
 - (2) ~~Do not make an adjustment under this clause until the adjustment has been verified in accordance with the criteria set forth in FAR 15.804-3.~~

(3[2]) * * *

(b) *Price adjustment for nonstandard steel items.*

* * * * *

- (4) ~~When the clause is to provide for adjustment based on the contractor's "established price" (see paragraphs (a) and (f) and Note 6 of the clause), verify the established price before contract award in accordance with FAR 15.804-3.~~

(5[4]) * * *

- (6) ~~Make no adjustment in contract price under this clause until the requested adjustment has been verified in accordance with the criteria in FAR 15.804-3 (but see Note 6 of the clause) and as required by paragraph (f) of the clause.~~

(7[5]) * * *

* * * * *

PART 232—CONTRACT FINANCING

* * * * *

232.502-1-71 Customary flexible progress payments.

* * * * *

(b) *Using customary flexible progress payments.*

* * * * *

- (3) Contractors who submit ~~certified~~ cost or pricing data, as defined in FAR 15.804-2[15.801], for negotiated fixed-price contracts in excess of \$1 million may request flexible progress payments.

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PART 239—ACQUISITION OF INFORMATION TECHNOLOGY

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239.7406 Cost or pricing data [and information other than cost or pricing data].

- (a) Common carriers are not required to submit cost or pricing data before award of contracts for tariffed services, ~~except as provided in paragraph (c) of this subsection.~~ Rates or preliminary estimates quoted by a common carrier for tariffed telecommunications services are considered to be prices set by regulation within the provisions of 10 U.S.C. 2306a. This is true even if the tariff is set after execution of the contract.
- (b) Rates or preliminary estimates quoted by a common carrier for nontariffed telecommunications services or by a noncommon carrier for any

telecommunications service are not considered prices set by law or regulation. ~~The provisions of 10 U.S.C. 2306a and FAR 15.804 apply in these circumstances.~~

- (c) ~~Even when not required by 10 U.S.C. 2306a, e[C]ontracting officers shall obtain certified cost or pricing data when unable [sufficient information] to determine that the prices are reasonable on the basis of price analysis (see FAR 15.805-2). Situations in which [For example,]cost or pricing data[, if required in accordance with FAR 15.804-2, or information other than cost or pricing data, if required in accordance with FAR 15.804-5,] may be necessary [to support the reasonableness of--] are described in the clause at 252.239-7009, Submission of Cost or Pricing Data—Common Carriers.~~

(1) Nontariffed services;

(2) Special rates and charges not included in a tariff, whether filed or to be filed;

(3) Special assembly rates and charges;

(4) Special construction and equipment charges;

(5) Contingent liabilities that are fixed at the outset of the service;

(6) Proposed cancellation and termination charges under the clause at 252.239-7007, Cancellation or Termination of Orders—Common Carriers, and reuse arrangements under the clause at 252.239-7008, Reuse Arrangements;

(7) Rates contained in voluntary tariffs filed by nondominant common carriers; or

(8) A tariff, whether filed or to be filed, for new services installed or developed primarily for Government use.]

~~—(d) The contracting officer need not get cost or pricing data for each delivery order under a basic agreement which is negotiated for use by Government ordering activities and includes detailed and approved price schedules.~~

~~—(e) The contracting officer shall specify the form and detail of the cost or pricing data (see FAR 15.804-6(a)). However, for data submitted by common carriers, the data may be in the same form and detail normally submitted to the governmental regulatory body having jurisdiction over the carrier if sufficient for cost or price analysis purposes.~~

~~—(f) When obtaining cost or pricing data under this section, the contracting officer shall obtain a certificate of current cost and pricing data in the format shown at FAR 15.804-4(a). However, if the contracting officer is requesting cost or pricing data under paragraph (e) of this section from a common carrier furnishing telecommunications services under a tariff filed or to be filed, substitute the following certificate for that at FAR 15.804-4(a):~~

CERTIFICATE OF CURRENT COST OR PRICING DATA
(Common Carriers)

~~This is to certify that to the best of my knowledge and belief, the cost or pricing data submitted, either actually or by specific identification in writing, to the contracting officer or to the contracting officer's representative in support of _____* are accurate, complete, and current as of _____**. Rates are based on the data which will be used or are currently being used to justify tariffs, or rates for telecommunications services which are not based on the data, but are based on filed tariffs. I understand that the Government will use this cost and pricing data and this certification, if appropriate, in any proceedings relative to this tariffed service.~~

~~Firm~~

~~Name~~

~~Title~~

~~Date of execution***~~

~~*Identify the proposal, quotation, request for price adjustment, or other submission involved, giving the appropriate identifying number.~~

~~**Insert the day, month, and year when price negotiations were concluded and price agreement was reached.~~

~~***Insert the day, month, and year of signing, which should be as close as practicable to the date when the price negotiations were concluded and the contract price was agreed to.~~

~~(End of certification)~~

* * * * *

239.7411 Contract clauses.

- (a) In addition to other appropriate FAR and DFARS clauses, use the following clauses in solicitations, contracts, and basic agreements for telecommunications services. Modify the clauses only if necessary to meet the requirements of a governmental regulatory agency—

* * * * *

(7) * * *;

~~(8) 252.239-7009, Submission of Cost or Pricing Data—Common Carriers; and~~

~~(9) 252.239-7010, Audit and Records—Common Carriers.~~

* * * * *

PART 252—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

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252.215-7000 Pricing Adjustments.

As prescribed in 215.804-8(1), use the following clause:

* * * * *

252.215-7002 Cost Estimating System Requirements.

As prescribed in 215.811-70(h), use the following clause:

COST ESTIMATING SYSTEM REQUIREMENTS (~~DEC 1994~~[JUL 1997])

* * * * *

(c) *Applicability.*

Paragraphs (d) and (e) of this clause apply if the contractor is a large business and either—

- (1) In its fiscal year preceding award of this contract, received Department of Defense (DoD) prime contracts or subcontracts, totaling \$50 million or more for which ~~certified~~ cost or pricing data were required; or

- (2) In its fiscal year preceding award of this contract—

- (i) Received DoD prime contracts or subcontracts totaling \$10 million or more (but less than \$50 million) for which ~~certified~~ cost or pricing data were required; and

* * * * *

252.216-7000 Economic Price Adjustment—Basic Steel, Aluminum, Brass, Bronze, or Copper Mill Products.

As prescribed in 216.203-4-70(a), use the following clause:

ECONOMIC PRICE ADJUSTMENT—BASIC STEEL, ALUMINUM, BRASS, BRONZE, OR COPPER MILL PRODUCTS (~~JAN 1997~~[JUL 1997])

(a) *Definitions.*

As used in this clause,

"Established price" means a price which—

- (1) ~~Is~~ [i]s an established catalog or market price for a commercial item sold in substantial quantities to the general public; ~~and~~

- (2) ~~Meets the criteria of FAR 15.804-3.~~

* * * * *

252.216-7001 Economic Price Adjustment—Nonstandard Steel Items.

As prescribed in 216.203-4-70(b), use the following clause:

**ECONOMIC PRICE ADJUSTMENT—NONSTANDARD STEEL ITEMS (~~JAN 1997~~
[JUL 1997])**

(a) Definitions.

As used in this clause—

* * * * *

"Established price" is—

(1) A price which—

(i) ~~Is~~ an established catalog or market price of a commercial item sold in substantial quantities to the general public; and

(ii) ~~Meets the criteria of FAR 15.804-3; and~~

* * * * *

252.239-7006 Tariff Information.

As prescribed in 239.7411(a), use the following clause:

TARIFF INFORMATION (~~DEC 1991~~[JUL 1997])

(a) The Contractor shall provide to the Contracting Officer—

(1) * * *

(2) Before filing[,], any application to a Federal, State, or any other regulatory agency for new or changes to, rates, charges, services, or regulations relating to any tariff or any of the facilities or services to be furnished solely or primarily to the Government; and

* * * * *

~~252.239-7009 Submission of Cost or Pricing Data—Common Carriers~~[Reserved].

As prescribed in 239.7411(a), use the following clause:

~~SUBMISSION OF COST OR PRICING DATA—COMMON CARRIERS (DEC 1991)~~

~~The Contractor agrees to provide certified cost or pricing data, upon request by the Contracting Officer, whenever—~~

~~—(a) The services are nontariffed services;~~

~~—(b) A tariff, whether filed or to be filed, is for new services installed or developed primarily for Government use;~~

~~—(c) A tariff, whether filed or to be filed, does not include the special rates and charges;~~

- ~~—(d) More than one commercial source (one or more of which is a common carrier) can offer the service but price competition is not adequate;~~
- ~~—(e) Required to support the reasonableness of special assembly rates and charges;~~
- ~~—(f) Required to support the reasonableness of special construction and equipment charges;~~
- ~~—(g) Required to support the reasonableness of those contingent liabilities which are fixed at the outset of the service;~~
- ~~—(h) Required to support proposed cancellation and termination charges (under the Cancellation or Termination Orders clause) and reuse arrangements (under the Reuse Arrangements clause); or~~
- ~~—(i) Required to support rates contained in voluntary tariffs filed by nondominant common carriers.~~

~~(End of clause)~~

~~252.239-7010 Audit and Records—Common Carriers[Reserved].~~

~~As prescribed in 239.7411(a), use the following clause:~~

~~AUDIT AND RECORDS—COMMON CARRIERS (NOV 1995)~~

- ~~—(a) For the purpose of verifying the accuracy of the cost or pricing data submitted under the Submission of Cost or Pricing Data—Common Carriers clause of this agreement/contract, the Contracting Officer or authorized representative shall have the right to examine the Contractor's records, the computations and projections used, and other supporting data, as defined in 4.703(a) of the Federal Acquisition Regulation, which will permit adequate evaluation of the cost or pricing data. This right applies to cost and pricing data which were available to the Contractor as of the date of the certification and shall last—~~
- ~~———(1) Until the expiration of three years from the date of the submission of the data which forms the basis for a recurring or nonrecurring charge; or~~
- ~~———(2) Until the expiration of the period of contingent liability with respect to that contingent liability.~~
- ~~—(b) The Contractor shall maintain records and other evidence, and accounting procedures and practices, sufficient to show the direct and indirect costs which were the basis for pricing the communication service authorization.~~
- ~~—(c) The Contractor shall insert the substance of this clause in subcontracts which furnish the basis for charges referred to in paragraph (a) of this clause unless the Contracting Officer authorizes its omission.~~

~~(End of clause)~~

~~* * * * *~~

252.243-7000 Engineering Change Proposals.
As prescribed in 243.205-70, use the following clause:

ENGINEERING CHANGE PROPOSALS (~~MAY 1994~~[JUL 1997])

* * * * *

(c) When the price** of the engineering change is \$500,000 or more, the Contractor shall submit—

- (1) A completed SF 1411, Contract Pricing Proposal Cover Sheet [(Cost or Pricing Data Required)], and
- (2) At the time of agreement on price*, [or on another date agreed upon between the parties,] a signed Certificate of Current Cost or Pricing Data.